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# Fact sheets

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Economy

## Note

This work is the translation of « La France dans l'Union européenne » published in the *INSEE Références* collection in April 2014.

Unless otherwise stated, the data used are taken from the website of Eurostat, the European Union's statistical office. These data are continually updated. The date of acquisition of the figures is therefore generally indicated below the tables and charts. The data mainly concern the countries of the European Union of 28 (EU of 28), as currently defined. However, for some countries (particularly those that have recently joined the EU), certain figures are not yet available. In such cases the perimeter of the EU is indicated.

On 15 May 2014, the INSEE published the national accounts in the 2010 base: these data are compiled in accordance with the new European System of Accounts (ESA 2010). France is one of the first countries to integrate this change, as most other States are not publishing national accounts data in line with ESA 2010 until September 2014. Prior to that date, only data from the 2005 base can be used to make reliable comparisons. It is this base that is therefore used here. It is likely that the change of base will have little effect on the majority of national accounting aggregates (particularly those presented here) and that it will not alter the hierarchies observed between countries.

## Symbols used

...	Result unavailable
///	No results due to the nature of things
e	Estimate
p	Provisional result
n.s.	Non-significant result
€	Euro
M	Million
Bn	Billion
Ref.	Reference

## 5.1 Agriculture

The European Union of 27 had just over 12 million farms at the end of the 2000s. Two-thirds of them are concentrated in four countries: Italy and Spain, but above all the United Kingdom and Poland, where mixed farming and small farms are predominant. The agriculture censuses of 2009 and 2010 show that the number of farms is falling. Since 2000 France has lost almost one-quarter, as have Spain, Italy and Portugal, Germany 35%, the Netherlands and Denmark 30%, and the United Kingdom just 15%. The newest EU States have experienced a more marked drop.

Over the same period the **agricultural area** has remained virtually stable in France and Denmark, and has actually increased slightly in the United Kingdom, while it has fallen by 1.5% in Italy, 3% in Germany, 5% in Portugal, and 8 to 9% in Spain and the Netherlands. In most countries the decrease in the number of farms has come hand-in-hand with a rise in the average agricultural area, a sign that the size of farms has increased. The average agricultural area in the EU rose from around 12.7 hectares in 2007 to 14.0 hectares in 2010.

French agricultural **production** valued at basic prices is the highest in Europe, with a value of 77.5 billion Euros in 2012. It contributes 19.3% of EU production,

followed by Germany (13.4%), Italy (12.0%) and Spain (10.4%). The fifteen oldest members account for 84% of the value of agricultural production in the EU. Among the States that have joined the EU since 2004, Poland and Romania respectively contribute 5.7% and 3.5% to European production, and Hungary just under 2.0%.

In 2010 France represented 7.8% of the EU's **agricultural employment**. Well ahead of France were Poland (19.1%) and Romania (16.2%), but also Italy (9.6%) and Spain (8.9%). Since 2003 agricultural employment has fallen faster in the States who joined after 2004 than in the former Europe of fifteen, whose share of total employment rose from 47.4% in 2003 to 50.1% in 2010.

The EU's net income from agriculture in real terms (**net value added at factor cost** per annual work unit) rose significantly in 2010 and 2011, having hovered around the same level between 2002 and 2009. It then stabilised in 2012 and 2013. In France this indicator followed a similar trend between 2002 and 2012, although with larger upward and downward swings, then saw a sharp drop in 2013. In Poland however, income rose almost continuously, with the exception of two setbacks in 2005 and 2008, multiplying by more than 2.5 between 2002 and 2013. ■

### Definitions

**Agricultural area:** the utilised agricultural area (UAA) includes arable land, the areas always under grass cover, and permanent crops (orchards and vineyards).

**Production:** the principle retained is that used in the agriculture accounts, representing the value of productions sold, stored or immobilised in the course of the period, plus own use and intra-unit consumption of animal feed on the farm. It is valued at the basic price, that is, the price received by the producer minus all taxes on products but including all subsidies on products. See the *Glossary*.

**Agricultural employment:** agricultural employment is measured in annual work units (AWU). An AWU corresponds to the work of a full-time equivalent person for a full year.

**Net value added at factor cost:** this is also known as net income from agriculture. It is calculated as production in value at the basic price less intermediate consumptions in value and amortisations, plus operating grants minus other taxes on production. It is expressed in real terms, deflated by the price of GDP.

### Further reading

- GraphAgri 2013 - *L'agriculture, la forêt et les industries agroalimentaires*, Agreste.

## 1. The main agriculture indicators in the EU27

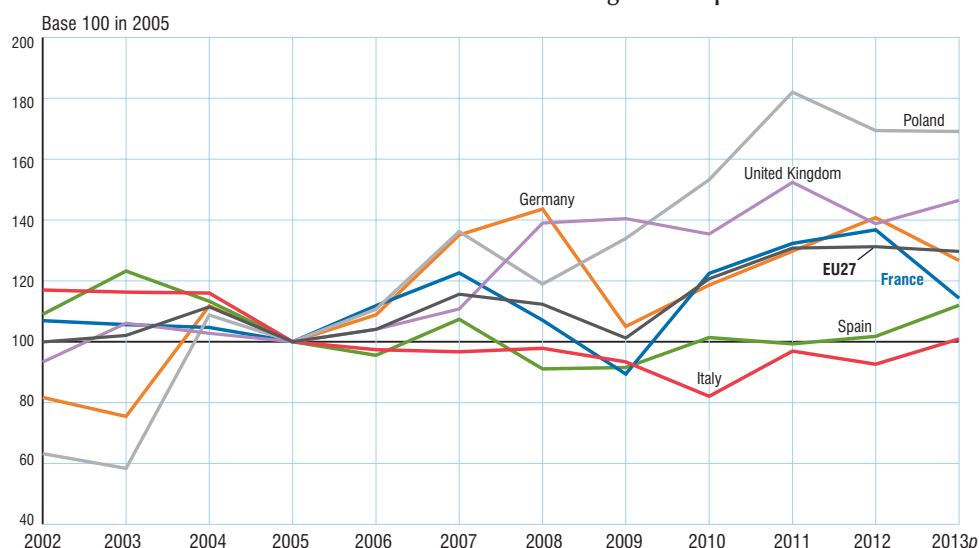
	Number of holdings (in thousands)		Utilised agricultural area (in thousands of hectares)		Labour force (in thousands of AWU)		Value of production (in millions of euros)	
	2000	2010	2000	2010	2000	2010	2002	2012
Austria	200	150	3,388	2,878	182	114	5,656	7,245
Belgium	62	43	1,394	1,358	74	62	6,630	8,545
Bulgaria	...	371	...	4,476	...	407	3,648	4,424
Cyprus	...	39	...	118	...	19	650	720
Czech Rep.	...	23	...	3,484	...	108	3,321	4,866
Denmark	58	42	2,645	2,647	67	52	8,327	11,873
Estonia	...	20	...	941	...	25	447	898
Finland	81	64	2,218	2,291	103	60	3,951	5,032
<b>France</b>	<b>664</b>	<b>516</b>	<b>27,856</b>	<b>27,837</b>	<b>949</b>	<b>780</b>	<b>63,757</b>	<b>77,353</b>
Germany	472	299	17,152	16,704	618	546	41,882	54,578
Greece	817	723	3,583	3,478	588	430	11,661	10,752
Hungary	967	577	4,555	4,686	...	424	6,100	7,514
Ireland	142	140	4,444	4,991	169	165	5,836	7,049
Italy	2,154	1,621	13,062	12,856	1,365	954	44,884	48,632
Latvia	141	83	1,433	1,796	145	85	580	1,323
Lithuania	...	200	...	2,743	...	147	1 184	2,973
Luxembourg	3	2	128	131	5	4	340	397
Malta	...	13	...	11	...	5	137	128
Netherlands	102	72	2,028	1,872	205	162	20,428	26,268
Poland	...	1,507	...	14,447	...	1,897	13,358	23,198
Portugal	416	305	3,863	3,668	524	363	6,124	6,466
Romania	...	3,859	...	13,306	...	1,610	10,101	14,410
Slovakia	71	25	2,160	1,896	137	56	1,677	2,397
Slovenia	87	75	486	483	108	77	1,074	1,149
Spain	1,287	990	26,158	23,753	1,078	889	39 066	42,191
Sweden	81	71	3,073	3,066	74	57	4 864	6,429
United Kingdom	233	187	15,799	15,686	354	266	24,456	29,257
<b>EU27</b>	<b>///</b>	<b>12,015</b>	<b>///</b>	<b>171,604</b>	<b>///</b>	<b>9,946</b>	<b>330,139</b>	<b>406,066</b>

1. The production of the agricultural branch is the sum of the production of agricultural products, agricultural services and goods and services produced within the framework of inseparable non-agricultural secondary activities. It is valued at basic prices.

Scope: all operations including collective (common pastures,...).

Source: Eurostat, agricultural censuses 2000 and 2009-2010, European agriculture accounts.

## 2. Variation in the index of the real income of factors in agriculture per AWU



Source: Eurostat, agriculture accounts.

## 5.2 Industries

In 2011 in the European Union (excluding Malta and Greece), 46.1 million people had a job in **industries** (including construction), representing slightly over one-third of employment in the non-agricultural **market sectors**. It is the complement of employment in the market services sector, and the relative situation of each country reflects this (see Market services sector sheet). Within industry, the manufacturing sector accounts for just under two-thirds of jobs, construction 28%, and the other sectors (extractive industries, production and distribution of electricity, gas, steam and conditioned air, production and distribution of water, sewerage works, waste management and depollution) 7%. This is an average that hides broad disparities between countries. In Luxembourg and Cyprus, less than one industrial job out of two is in manufacturing. At the other end of the scale, manufacturing accounts for three jobs out of four in Germany. After Germany, five Eastern European countries (Hungary, Czech Republic, Slovenia, Slovakia and Bulgaria) have the highest share of manufacturing (around 70%). The construction sector is relatively well developed in Luxembourg and Cyprus. With one industrial job out of three in this sector, France ranks seventh among European

countries, just behind the Netherlands, Spain, Portugal and Belgium.

Lastly, the remaining industrial activities (in particular extractive activities) represent a large proportion of industrial jobs in the less-developed member States (Romania, Poland, Croatia, Bulgaria, all above 12%) and to a lesser extent in the three Baltic States.

In 2011, the median **business start-up rate** stood at 9.0% in the construction sector and 7.6% in the rest of industry. This rate is lower than that in the non-agricultural market sector as a whole, as the market services sector has a slightly more dynamic business demographic. But industrial business demographics vary sharply within the EU. Malta is the country with the lowest rate (2.7% in construction, 1.9% in the rest of industry). At the other extreme Latvia has the highest rate (23.9% in construction, 17.8% in the rest of industry). Even when these two countries are excluded, the gaps are still large (in construction, nine points between Belgium and Slovakia, and in the rest of industry, eight points between Luxembourg and Slovakia). Eastern European countries have the highest overall business start-up rates. France is well above the European median in construction, and is close to the median in the rest of industry. ■

### Definitions

**Industries:** these are the construction sector and the industry sector in the strict sense: extractive industries, manufacturing industry, production and distribution of electricity, gas, steam and conditioned air, production and distribution of water, sewerage works, waste management and depollution.

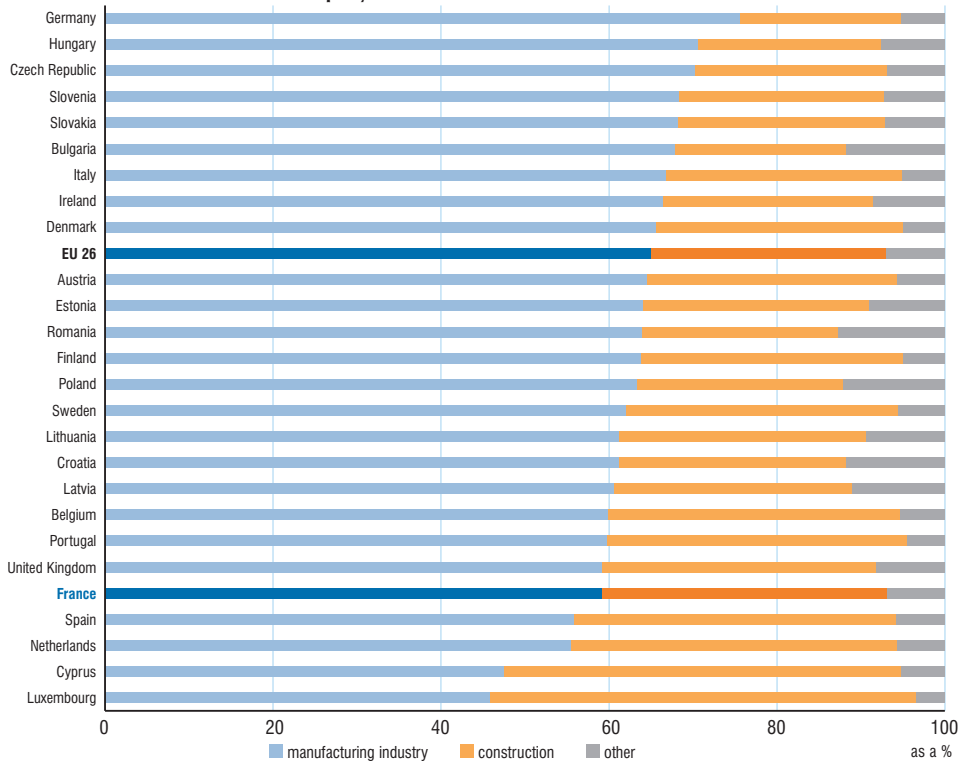
**Market sectors:** aside from industries, the market sectors comprise trade (wholesale and retail) and automobile and motorcycle repairs, transport and warehousing, accommodation and catering, information and communication, real-estate activities, specialised scientific and technical activities, and service and support activities. The agricultural, forestry and fisheries sector is excluded. Also excluded are those sectors in which the public-sector share is high, as well as the financial sectors.

**Business start-up rate:** ratio between the number of business start-ups in the reference period and the number of active enterprises. In France, "auto-entrepreneurs" are included.

### Further Reading

- « Les entreprises en France », *INSEE Références* coll., 2013 edition.

## 1. Distribution of industrial employment in 2011



Note: no data available for Greece and Malta.

Source: Eurostat, Structural business statistics, extracted in February 2014.

## 2. Business start-up rate in 2011

	Extractive industries	Manufacturing industry	Production and supply of electricity, gas, steam and conditioned air	Production and supply of water; sanitation, waste management and decontamination	Construction	Industry (except construction)
Austria	2.6	4.0	6.6	4.5	6.7	4.1
Belgium	1.4	3.5	18.1	4.3	5.9	3.6
Bulgaria	7.9	7.6	23.0	13.7	10.4	8.6
Czech Republic	10.4	9.3	40.5	11.1	8.8	10.4
Finland	4.9	5.7	4.8	5.6	9.0	5.6
<b>France</b>	<b>4.6</b>	<b>7.5</b>	<b>10.0</b>	<b>11.8</b>	<b>11.9</b>	<b>7.8</b>
Germany	5.0	4.7	24.3	3.9	7.6	7.7
Hungary	7.5	6.9	16.2	8.7	9.2	7.1
Italy	3.6	4.6	26.1	5.3	7.1	4.9
Latvia	13.2	18.1	15.6	17.6	23.9	17.8
Luxembourg	0.0	3.2	4.8	7.1	8.5	3.6
Malta	1.5	1.8	0.0	4.4	2.7	1.9
Netherlands	11.8	8.0	14.8	10.0	9.2	8.1
Poland	14.4	10.0	17.4	11.1	14.4	10.2
Portugal	4.2	7.5	13.9	13.1	8.2	7.6
Romania	10.6	8.2	22.8	19.5	12.4	9.2
Slovenia	5.4	6.0	22.5	16.7	10.1	7.0
Slovakia	11.0	11.7	10.8	9.9	14.8	11.7
Spain	3.2	5.0	1.6	3.9	6.9	4.8
Sweden	3.4	5.3	6.7	7.8	8.9	5.4
United Kingdom	11.7	7.4	44.7	15.0	9.5	8.2

Note: no data available for Denmark, Estonia, Ireland, Cyprus and Lithuania.

Source: Eurostat, Structural business statistics, extracted in February 2014.

## 5.3 Market services sectors

In 2011 in the European Union (EU) (excluding Malta and Greece), the **market services sectors** (including trade) employed 85.5 million people, thus accounting for almost two-thirds of employment in the **market sectors**. This proportion varies sharply between countries – from 50% to 77%. The countries of Eastern Europe are where employment in the market services sector is the lowest: less than 55% in the Czech Republic, Slovenia, Romania and Slovakia. Conversely, in the British Isles and the Netherlands the share is over 75%. France (66%) is slightly above the European average in this respect, and Germany below.

Between 2010 and 2011, employment in the market services sector rose by 1.4 million people. While the majority of European countries experienced growth, six of them saw a drop of more than 1%: the southern European countries (Italy, Spain and Portugal) along with Slovenia, Croatia and Latvia.

In the EU as a whole the automobile and motorcycle trade and repair sector represented 38% of employment in the market services sector in 2011. Four sectors are average in size with between 12% and 16%: transport and warehousing, accommodation and catering, specialised scientific and technical activities, and administrative and support service activities. Two sectors are far smaller: information and communication (7%) and real-estate activities (3%).

In the less developed countries of Eastern Europe, trade carries the greatest relative weight: in Poland, Bulgaria, Lithuania, Slovakia and Romania, it has a share of over 45%. At the other end of the scale, it only represents 29% in Luxembourg.

In activities other than trade, the sectoral structure varies from one country to the next according to specialisations and geographical considerations. Administrative and support services are relatively prominent in the Netherlands, France, Portugal and Belgium. Conversely, their weight is relatively low in Cyprus and most eastern countries. Specialised scientific and technical activities are relatively more developed in Luxembourg, Slovenia and the Netherlands. The transport and warehousing sector is particularly significant in the Baltic countries. Accommodation and catering represent one quarter of market services employment in Cyprus (double the European average). The information and communication sector accounts for at least 10% of service-sector employment in four northern European countries (Denmark, Finland, Sweden and Luxembourg), while real-estate activities are overrepresented in Latvia.

In 2011 the median **business start-up rate** stood at just over 10%. But the business demographic in services is highly variable in the EU and this rate ranges from less than 4% (Malta) to almost 19% (Latvia). France is situated slightly above the European median. ■

### Definitions

**Market services sectors:** these sectors encompass trade (wholesale and retail) and automobile and motorcycle repairs, transport and warehousing, accommodation and catering, information and communication, real-estate activities, specialised scientific and technical activities, and administrative service and support activities. Those sectors in which the public-sector share is high, as well as the financial sectors, are excluded.

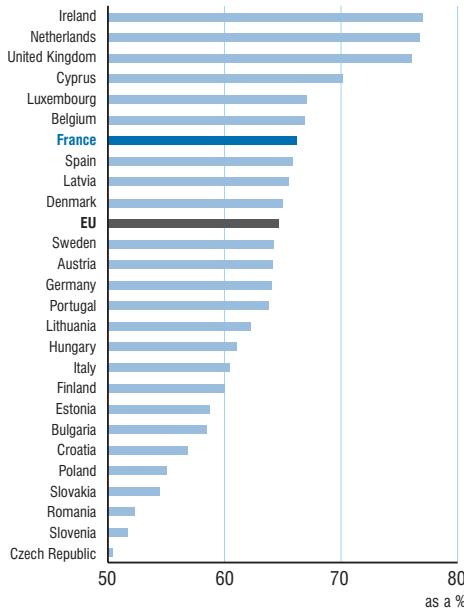
**Market sectors:** aside from the market services sectors, the market sectors comprise the construction sector and the industry sector in the strict sense: extractive industries, manufacturing industry, production and distribution of electricity, gas, steam and conditioned air, production and distribution of water, sewerage works, waste management and depollution. The agricultural, forestry and fisheries sector is excluded. Also excluded are those sectors in which the public-sector share is high, as well as the financial sectors.

**Business start-up rate:** ratio between the number of business start-ups in the reference period and the number of active enterprises. In France, 'auto-entrepreneurs' are included.

### Further Reading

- « Les entreprises en France », *INSEE Références coll.*, 2013 edition.

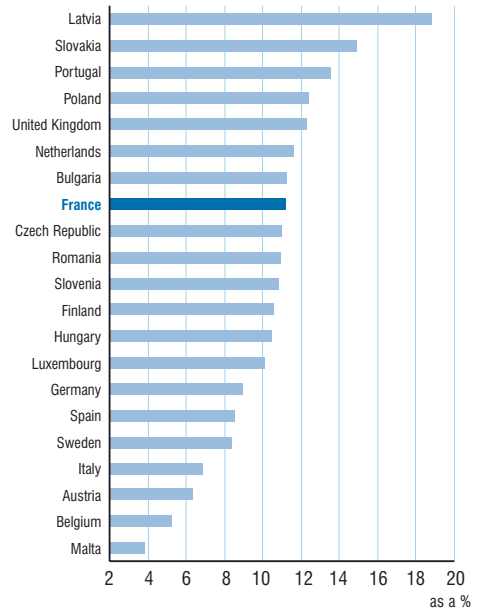
## 1. Distribution of employment in services in 2011



Note: data not available for Greece and Malta.

Source: Eurostat, Structural business statistics, extracted in February 2014.

## 2. Business start-up rate in 2011



Note: data not available for Denmark, Estonia, Ireland, Cyprus and Lithuania.

Source: Eurostat, Structural business statistics, extracted in February 2014.

## 3. Distribution of employment in services in 2011

	as a %						
	Trade; repair of motor vehicles and motorcycles	Transport and storage	Accommodation and catering	Information and communication	Real estate activities	Specialised, scientific and technical activities	Administrative services and support activities
Austria	38	12	16	6	3	13	12
Belgium	35	12	9	7	3	14	19
Bulgaria	47	14	13	6	3	8	9
Croatia	41	13	16	7	2	14	8
Cyprus	39	12	24	5	1	13	5
Czech Republic	40	16	10	6	3	14	11
Denmark	41	14	6	11	3	14	9
Estonia	37	17	9	8	5	11	14
Finland	35	17	8	11	...	13	16
<b>France</b>	<b>34</b>	<b>13</b>	<b>10</b>	<b>8</b>	<b>3</b>	<b>13</b>	<b>20</b>
Germany	38	12	12	6	3	12	17
Hungary	38	15	9	7	5	14	13
Ireland	39	9	17	8	3	12	12
Italy	38	12	14	6	3	13	13
Latvia	41	20	7	6	8	9	9
Lithuania	46	20	7	5	4	10	8
Luxembourg	29	14	11	10	2	17	17
Netherlands	36	10	10	6	2	15	21
Poland	49	16	5	6	4	11	9
Portugal	40	8	14	4	2	11	20
Romania	45	16	7	7	2	10	12
Slovakia	46	15	7	7	3	13	9
Slovenia	39	15	11	8	2	17	10
Spain	38	11	16	5	2	12	15
Sweden	34	14	8	10	4	14	15
United Kingdom	35	9	14	8	3	14	16
<b>EU</b>	<b>38</b>	<b>12</b>	<b>12</b>	<b>7</b>	<b>3</b>	<b>13</b>	<b>16</b>

Note: no data available for Greece and Malta.

Sources: INSEE, Eurostat, extracted in February 2014.



## 5.4 Research and development

Between 2000 and 2011, gross **domestic expenditure on research and development** (GERD) grew by an average of 1.6% per year in volume in France, rising from 31 to 45 billion Euros. As a comparison, in the EU as a whole the average annual increase in GERD was about 2.6% over the same period.

In France the **research effort**, measured as the ratio between gross domestic expenditure on research and development (GERD) and GDP, picked up slightly over the period 2008-2012. In 2012 the research intensity reached its highest level for over 15 years (2.26%). This figure, like that of 2011 (2.25%), is lower than the ratio in Germany (2.88%), due to the country's greater focus on the service sector, but is nonetheless higher than the EU average (1.94%).

With regards to this indicator, France occupies fifth position among the six leading OECD countries, behind South Korea (4.03%), Japan (3.39%), Germany (2.88%) and the United States (2.77%), but ahead of the United Kingdom (1.77%). Among EU countries, Finland, Sweden and Denmark are those that devote the largest proportion of their GDP to R&D, with respectively 3.78%, 3.37% and 3.09%. France is in eighth position in the EU.

Almost two-thirds of R&D expenditure is made by business enterprises (BERD). Since 2000, the BERD/GERD ratio has changed little from its minimum in 2005 (62.1%) to

its maximum (64.2%) in 2012. In the EU this ratio is lower (61.9% in 2011, against 63.9% for France). In 2011, the countries where this ratio is highest are mainly in the north: Finland (70.5%), Sweden (69.3%), Luxembourg (68.5%), Denmark (67.6%) and Germany (67.3%).

Between 2010 and 2011, the ratio between BERD and GDP changed little in France (from 1.42% to 1.44%), remaining higher than that of the EU overall (1.20% in 2011). The ratio between government expenditure on R&D (GOVERD) and GDP was also stable, at around 0.80%.

In 2010, 393,000 **full-time equivalent** (FTE) employees worked for R&D in France, 59% of them in business enterprises. The number of researchers stood at 240,000 FTE. The EU had more than 2.5 million salaried FTE working on R&D in 2010, of whom 52% worked in enterprises.

In France in 2010, nearly 26% of researchers were women. Research is far more feminised in Portugal (46%), Spain (38%), the United Kingdom (38%) and Italy (35%).

In 2010, France had 8.5 researchers per thousand active persons. This is much more than Italy (4.1‰), Germany (7.9‰) and the United Kingdom (8.2‰), and more than the EU average (6.6‰), but far less than Sweden (10.0‰), Denmark (12.9‰) and Finland (15.4‰). ■

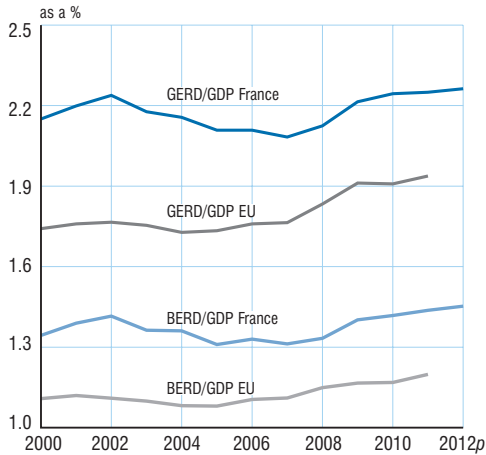
### Definitions

**Gross domestic expenditure on research and development (GERD):** corresponds to research and development (R&D) work carried out on the national territory, regardless of the origin of the funds. One part is carried out by governments and the other by business enterprises. It includes current expenditures (payroll of R&D personnel and overhead) and capital expenditures (purchases of the equipment required for domestic R&D work and real-estate transactions made over the year).

A country's "**research effort**" is measured by the ratio of GERD to GDP.

**GDP, full-time equivalent:** see the *Glossary*.

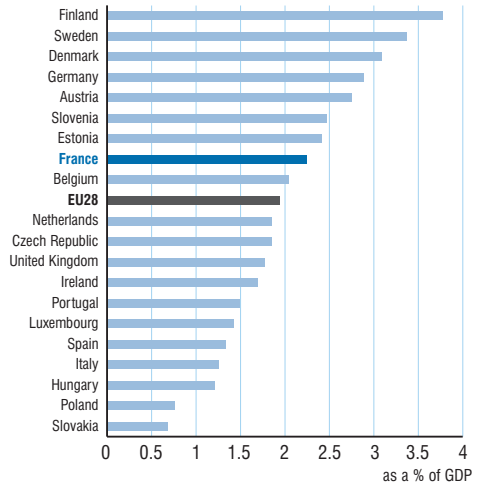
## 1. Change in the GERD/GDP ratio and in the BERD/GDP ratio since 2000



Note: for France, the 2011 data are semi-definitive and the 2012 data are estimates.

Sources: MESRI/ DGESIP-DGRI/ SIES; OECD, MSTI.

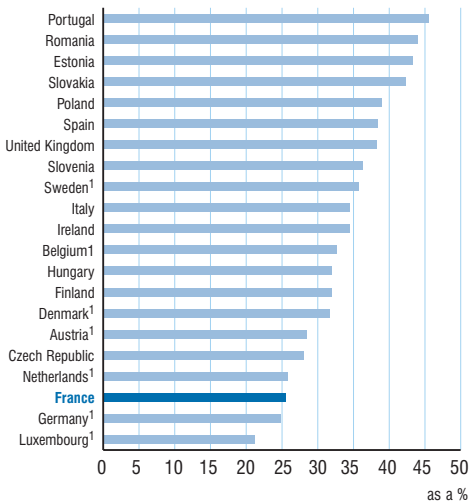
## 2. Research effort of the countries in the EU in 2011



Note: 2010 data for the Netherlands, OECD estimation for the EU28.

Source: OECD, extracted in June 2013.

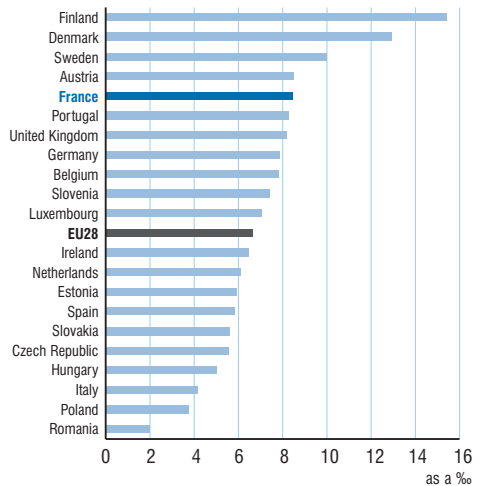
## 3. Share of women among researchers in 2010 in the main countries of the EU



1. 2009 data.

Source: OECD, extracted in June 2013.

## 4. Rate of researchers per thousand employees in FTE in 2010 in the main countries of the EU



Source: OECD, extracted in June 2013, calculation for EU28, OECD.

## 5.5 Government finances

In 2012, the **general government balance** represented 3.9% of GDP in the EU of 27. With a slight surplus (0.1%), Germany is the only country not in deficit. All the others are in deficit, in sharply varying proportions (from 0.2% to 10.6% of GDP). Sweden and Estonia are just short of breaking even. Aside from Germany, ten countries have a deficit lower than or equal to 3% of their GDP. France is above the median group with a deficit of 4.8% of GDP. Six countries fare worse than France: in northern Europe, the United Kingdom and Ireland, and in the south, Portugal, Cyprus, Greece and Spain. Spain is in the most difficult situation with a deficit of over 10% of GDP.

Variations in deficits are partly linked to the economic context: revenues fall during slowdown phases and rise when the economic situation improves. In 2000 for example, the high point of the economic cycle for most European countries, the EU of 27 had a surplus of 0.6% of GDP, and nine countries, mainly in northern Europe, showed a surplus (Finland being the most extreme example with a surplus of 7.0% of GDP). Only eight countries had a deficit of more than 3% of GDP. Among them, five were former Eastern Bloc countries. France had a deficit of 1.5% of GDP. Between 2000 and 2012, the deficit widened in the majority of European countries (by 4.5 points in the EU of 27). The increase was particularly sharp in Ireland (13.1 points), Spain (9.7 points) and the United Kingdom (9.6 points). Seven countries (of which six in Eastern Europe) saw an improvement in their situation.

Since 2000 the time profile of the deficit has been strongly correlated with economic activity. In the EU of 27, the deficit grew between 2000 and 2003 then decreased until 2007. The 2008 crisis led to a sharp rise in the deficit, which reached

6.9% of GDP in 2009. The improvement in the economic situation resulted in a reduction in the deficit, particularly from 2011 onwards. The same profile has been observed in Germany, Greece, Spain, France and the United Kingdom, with Greece's trajectory always lower than the other countries. The United Kingdom, which of the five countries was in the most favourable situation in 2000, has also experienced a relative deterioration over the period. Conversely, the relative situation of Germany has improved.

In the EU of 27, **public debt** represented 85% of GDP in 2012. The situations of the member States differ from each other significantly, with debt varying from 10% of GDP in Estonia to 157% in Greece. Half of the European countries have a debt level below 60% of GDP; these are Luxembourg, Sweden and Denmark, and the former Eastern Bloc countries (except for Hungary). Debt levels are highest in southern Europe (mainly Greece, Italy and Portugal), in the British Isles, in France and in Belgium. In 2000 public debt represented 62% of GDP in the EU of 27, with only five countries above this average.

In 2012, taxes and contributions represented 40.6% of GDP in the EU. The proportion is relatively variable from one country to the next, mainly due to different levels of social protection. Seven countries (including France) are above this average, with the maximum observed in Denmark (49.1%). Five countries in Eastern Europe (Lithuania, Bulgaria, Latvia, Romania and Slovakia) are below 30%. In 2000, the share of taxes and contributions in the EU of 27 was around one point higher (41.5%). Between 2000 and 2012 this proportion fell in two-thirds of the countries. In France it rose by about 1 point. ■

### Definitions

**General government balance (public deficit):** corresponds to government net borrowing, corrected for gains and losses in swap operations. Net borrowing is the balance of the capital account: it includes not only current operating expenditures and redistributions, but also capital expenditure, investments, capital transfers and capital taxes.

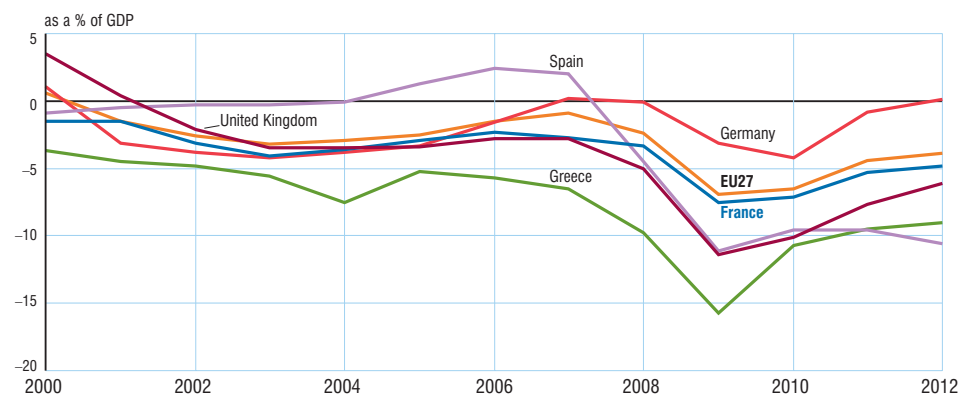
## 1. Some public finance indicators

as a % of GDP

	Government balance		Government debt		Taxes and contributions	
	2000	2012	2000	2012	2000	2012
Austria	-1.7	-2.5	66.2	74.0	45.1	44.8
Belgium	0.0	-4.0	107.8	99.8	47.3	48.0
Bulgaria	-0.5	-0.8	72.5	18.5	31.5	27.9
Cyprus	-2.3	-6.4	59.6	86.6	30.0	34.9
Czech Republic	-3.6	-4.4	17.8	46.2	33.9	35.0
Denmark	2.3	-4.1	52.4	45.4	50.2	49.1
Estonia	-0.2	-0.2	5.1	9.8	31.0	32.7
Finland	7.0	-1.8	43.8	53.6	47.4	44.2
<b>France</b>	<b>-1.5</b>	<b>-4.8</b>	<b>57.3</b>	<b>90.2</b>	<b>46.0</b>	<b>47.0</b>
Germany	1.1	0.1	60.2	81.0	42.8	40.4
Greece	-3.7	-9.0	103.4	156.9	36.5	36.6
Hungary	-3.0	-2.0	56.1	79.8	39.9	39.3
Ireland	4.9	-8.2	37.0	117.4	32.7	30.2
Italy	-0.8	-3.0	108.6	127.0	41.8	44.3
Latvia	-2.8	-1.3	12.4	40.6	29.9	28.1
Lithuania	-3.2	-3.2	23.6	40.5	30.9	27.5
Luxembourg	6.0	-0.6	6.2	21.7	40.0	40.3
Malta	-5.7	-3.3	53.9	71.3	28.4	34.9
Netherlands	2.0	-4.1	53.8	71.3	40.9	39.6
Poland	-3.0	-3.9	36.8	55.6	32.6	32.5
Portugal	-3.3	-6.4	50.7	124.1	33.7	34.9
Romania	-4.7	-3.0	22.5	37.9	30.6	28.4
Slovakia	-12.3	-4.5	50.3	52.4	34.1	28.5
Slovenia	-3.7	-3.8	26.3	54.4	37.5	37.9
Spain	-0.9	-10.6	59.4	86.0	35.0	33.6
Sweden	3.6	-0.2	53.9	38.2	52.1	44.8
United Kingdom	3.5	-6.1	40.5	88.7	37.7	37.1
<b>EU27</b>	<b>0.6</b>	<b>-3.9</b>	<b>61.8</b>	<b>85.2</b>	<b>41.5</b>	<b>40.6</b>

Source: Eurostat, extracted in February 2014.

## 2. Government balance



Source: Eurostat, extracted in February 2014.

## 5.6 Foreign trade

In 2012, the **export rate** in the EU varied from 27% (in Greece) to 177% (in Luxembourg). This measure of openness to international trade is higher in each European country than in Japan (14.7%) and the United States (13.5%). The same diagnostic holds when the **import rate** is taken into consideration. European countries are thus in a zone which is relatively open to the world, with exports representing 45% of GDP on average and imports 43%. One important factor explaining openness is the size of the country. Generally, the smaller the country (in number of inhabitants), the higher its export rate. Only Luxembourg, Ireland and Malta go beyond the threshold of 100%. The countries with a rate of between 80% and 100% are Slovakia, Hungary, Estonia, the Netherlands, Belgium and Lithuania. At the other extreme France, Italy, the United Kingdom and Spain have ratios in the region of 30%. However, this general rule should be modulated according to the country's economic history and sectoral specialisation. Thus Germany has relatively high export (52%) and import (46%) rates for its size while Greece is less open to international trade than its size would suggest.

Between 2000 and 2012 the export rate increased by 9 points in the EU of 28. This trend was observed in most countries, with only three exceptions: Finland, Cyprus and France, whose rate slipped back by 1.4 points. Measured by exports and imports, the hierarchies in terms of openness have changed little and are relatively structural. For example, in 2000 the export rate was already low in Greece (25%) and very high in Luxembourg (150%).

With its strong GDP and high export rate, Germany is the leading exporter in the EU of 28. German exports alone account for a quarter of all European exports. This is more than the exports of the United Kingdom and France combined (10% of the EU's exports for each country). The Netherlands, which has a high export rate despite its medium size, is Europe's fourth biggest exporter ahead of Italy, Spain and Belgium, the last country to have a share of over 5% of all exports of the EU of 28. The other 21 countries shared the remaining quarter of European exports in 2012.

On average in the EU of 27, three-quarters of exports are goods (75%) and the remaining quarter is services. Among the three leading exporters situations vary greatly. France is close to the European average (78% goods in exports), while Germany, with 85%, has one of the largest shares of goods exports in Europe (particularly industrial goods). Conversely, in the United Kingdom the proportion of goods is far lower (61%). In Cyprus and Luxembourg services account for more than 80% of exports.

On average, the external balance in 2012 was positive in the EU of 28, standing at 1.9% of GDP. Two-thirds of the countries showed a surplus, one that was very high in the case of Luxembourg and Ireland (more than a quarter of their GDP), and relatively high in around 10 countries (including Germany). Conversely, nine countries (including France) were in deficit, with the most negative situations being those of Romania and Greece (about 5.0%). ■

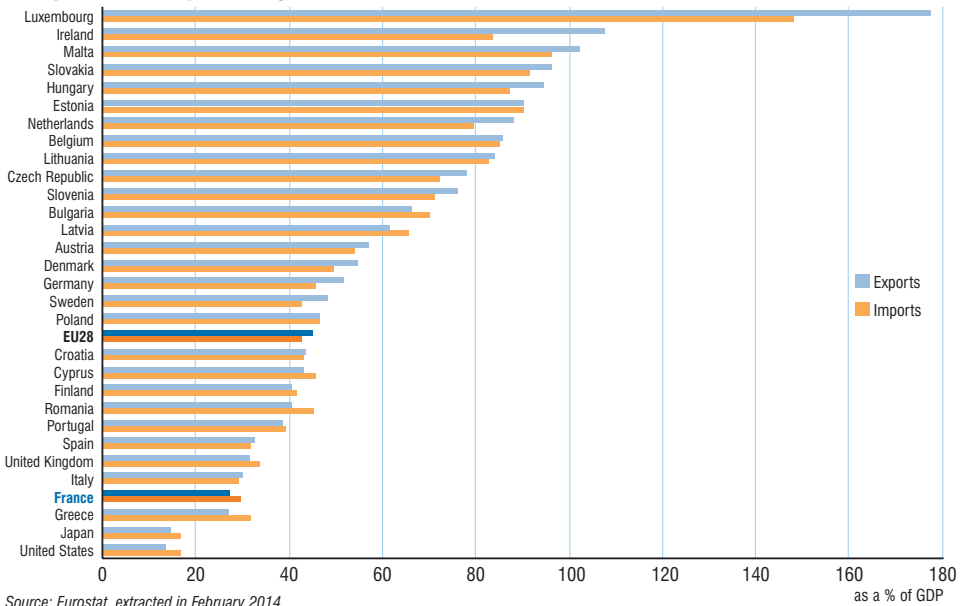
### Definitions

**Export rate:** ratio between exports and GDP.

**Import rate:** ratio between imports and GDP.

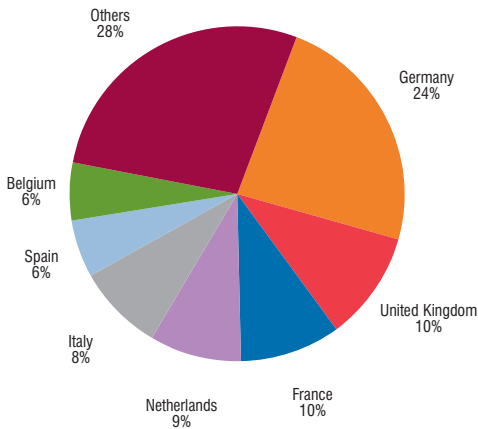
These rates may be higher than 100%, for example because products may be imported and then re-exported.

## 1. Exports and imports of goods and services in 2012



Source: Eurostat, extracted in February 2014.

## 2. Share of EU exports in 2012



Source: Eurostat, extracted February 2014.

## 3. Sectoral distribution of exports in 2012

	as a %		
	Goods	Services	Whole
Austria	72	28	100
Belgium	76	24	100
Bulgaria	79	21	100
Cyprus	19	81	100
Czech Republic	85	15	100
Denmark	61	39	100
Estonia	73	27	100
Finland	73	27	100
<b>France</b>	<b>78</b>	<b>22</b>	<b>100</b>
Germany	85	15	100
Greece	53	47	100
Hungary	82	18	100
Ireland	49	51	100
Italy	82	18	100
Latvia	73	27	100
Lithuania	83	17	100
Luxembourg	17	83	100
Malta	47	53	100
Netherlands	80	20	100
Poland	83	16	100
Portugal	75	25	100
Romania	84	16	100
Slovakia	92	8	100
Slovenia	80	19	100
Spain	68	31	100
Sweden	69	31	100
United Kingdom	61	39	100
<b>EU27</b>	<b>75</b>	<b>25</b>	<b>100</b>

Source: Eurostat.